

## Message Text

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E. O. 11652: GDS

TAGS: PORG, EAIR, ICAO

SUBJ: ICAO: AVIATION MASTER PLAN CONTRACT/TURKEY

REF: 75 STATE 304208, 75 ANKARA 9487, 75 MONTREAL 1638

1. USREP ASKED SYG AND DIRECTOR TECHNICAL ASSISTANCE BUREAU (INDEPENDENTLY) FOR STATUS REPORT ON CONTRACT AWARD, PURSUANT TO OUR SEVERAL CONVERSATIONS IN OCTOBER. AS REPORTED IN MANY FORMER CONVERSATIONS TO DEPARTMENT DURING "CRISIS", ICAO IS COOPERATING, SYMPATHETIC, BUT UTTERLY EXASPERATED BY LONG DELAYS IN GETTING ANY ACTION FROM TURKISH GOVERNMENT, STARTING FROM JUNE 75 WHEN DGCA GUNGEN LEFT MONTREAL WITH BIDS, & ICAO FINDINGS ETC AND PROMISED ADVISE ICAO HIS DECISION WITHIN ONE WEEK. REPEATED CONTACTS AND CABLES BROUGHT NO RESULTS UNTIL OCTOBER WHEN GUNGEN RETURNED TO MONTREAL, REFUSING TO ACCEPT ANY ONE OF FOUR CONTRACTS ON ICAO SHORT LIST, AND DEMANDING DIXON-SPEAS AS CONTRACTOR, ETC. DURING THAT VISIT HE TALKED AT LENGTH WITH AVIATION PLANNING OF CANADA, THE RECOMMENDED CONTRACTOR AND DIXON-SPEAS AND LODGED OFFICIAL COMPLAINTS WITH SYG AND USREP AS REPORTED MONTREAL 1638. ONCE AGAIN GUNGEN DEPARTED FOR TURKEY PROMISING TO ADVISE ICAO WITHIN ONE WEEK OF CHANGES IN TERMS REFERENCE SO THAT HIS REQUIREMENTS COULD BE ALIGNED WITH THE ADDITIONAL INFORMATION THAT ICAO REQUESTED OF SPEAS (IN SPIRIT OF COOPERATION). ONCE AGAIN THERE WAS NO RESPONSE AND AFTER A COUPLE OF MONTHS INCLUDING NO RESPONSE TO FOLLOW-UP CABLES ICAO CABLED UN RESREP WHO IMMEDIATELY RESPONDED RECOMMENDING THE WHOLE THING BE CANCELLED. ICAO CABLED BACK THAT

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IT PREFERRED A RESPONSE FROM THE TURKISH GOVERNMENT BEFORE

CONSIDERING CANCELLATION. UN RESREP THEN COORDINATED WITH GOT AND ON THEIR BEHALF ADVISED ICAO THAT THE ENTIRE EFFORT SHOULD BE CANCELLED AND STARTED AFRESH. FYI: THIS WAS ONE OF THE ALTERNATIVES CONSIDERED BY THE SYG WHEN US TALKED WITH HIM IN OCTOBER, THAT IS, HE SUGGESTED THAT IF THE QUESTION OF THE CONTRACT AWARD COULD NOT BE RECONCILED IN REASONABLE TIME THE WHOLE THING SHOULD BE "JUNKED" AND A NEW EFFORT UNDERTAKEN WHICH WOULD ALLOW MORE OPPORTUNITY FOR GUNGEN TO PROVIDE MORE INFORMATION SO THAT ALL BIDDERS COULD BE RESPONSIVE TO THE REQUIREMENTS. END FYI.

2. THE TEMPORARY "CANCELLATION" OF THE CONTRACT IN DECEMBER CAME COINCIDENTALLY AT THE TIME OF THE UNDP FINANCIAL CRISIS. HOWEVER THIS PARTICULAR CONTRACT DID NOT SUFFER FROM THE ICAO CUT-BACKS (WHICH WERE NOT AS HEAVY AS IN SOME OTHER AGENCIES). THE \$350,000 UNDP FUNDING HAS BEEN CONFIRMED BUT THE HOPE WAS EXPRESSED TO ICAO THAT THE CONTRACT WOULD NOT GET UNDER WAY FOR PAYMENT PURPOSES DURING FISCAL (CALENDAR) YEAR 1976. HOWEVER DIRECTOR TAB FEELS HE COULD COMMENCE IN SEPTEMBER 1976 WITH THE SUMMER QUARTERLY PAYMENT COMING OUT OF CURRENT YEAR'S FUNDS.

3. THE PRESENT SITUATION IS: A. GUNGEN HAS BEEN REFERRED TO THE OLD TERMS OF REFERENCE AND ASKED TO REVISE THEM ASAP IN WHATEVER REPEAT WHATEVER MANNER HE WISHES. B. INTERESTED CONTRACTORS WILL PROVIDE NEW BIDS BY MARCH AND CONTRACT WILL BE AWARDED IN JUNE. FYI: USREP WISHES POINT OUT THAT THIS IS BASICALLY THE SAME SCHEDULE OF A YEAR AGO WHICH FELL APART COMPLETELY BECAUSE OF GOT DELAYS AND LACK OF RESPONSE TO REPEATED URGING BY ICAO TO MOVE AHEAD. IF GUNGEN DOES NOT PROVIDE THE TERMS OF REFERENCE VERY SOON, OBVIOUSLY BIDS CAN NOT BE PROVIDED IN MARCH. IF BIDS COME IN IN MARCH AND HE REFUSES TO ACCEPT ANY PART OF THE PROCEDURE AT THAT TIME AND DELAYS A FINAL DECISION FOR ANY LENGTH OF TIME, THERE IS NO DOUBT THAT THE SITUATION WILL REQUIRE ABANDONMENT OF THE ENTIRE PROJECT (A POSITION ENDORSED ENTHUSIASTICALLY ALREADY BY THE UN RESREP ANKARA).

4. SCHEDULING RE THIS CONTRACT IS IN NO WAY CLASSIFIED AND EVERYONE INVOLVED KNOWS THE PRESENT SITUATION. USREP CONTINUED TO BE CONFUSED BY REFERENCE TO "INTERNAL ICAO POLITICS" CONFIDENTIAL

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AND SUGGESTS THAT "IT IS DIFFICULT FOR ICAO TO MAKE A CHANGE". ICAO IN THIS CASE HAS GONE FAR BEYOND WHAT COULD HAVE BEEN REASONABLY EXPECTED OF ANY AGENCY IN CONNECTION WITH A CONTRACT AWARD. DIRECTOR OF TAB, HIS STAFF, AND THE SYG HAVE MADE VERY EFFORT TO PULL THIS THING TOGETHER IN A MANNER THAT WOULD BE ACCEPTABLE TO GOT AND WOULD TREAT ALL BIDDERS FAIRLY. NO ONE EXPRESSED TO THEM ANY SPECIAL INTEREST IN THE DIXON-SPEAS BID UNTIL AFTER REPEAT AFTER ALL BIDDING HAD BEEN ANALYZED AND THE

SHORT LIST COMPILED -- DIXON-SPEAS WAS NOT ON THAT LIST. ONLY AT THAT POINT DID GUNGEN MAKE DEMANDS ON THEIR BEHALF AND US MISSION MADE INQUIRY. IN SPITE OF MONTHS OF DELAY IN TRYING TO GET DECISIONS AND/OR SUGGESTIONS FROM GOT ICAO HAS KEPT THE MATTER OPEN AND IN EVERY WAY ATTEMPTED TO ACCOMODATE WHAT APPEARS TO BE A SPECIAL SITUATION.

5. THE FOLLOWING IS TO BE TREATED CONFIDENTIALLY FOR OBVIOUS REASONS. THE DIRECTOR TAB INDICATES THAT THE SPEAS BID WAS NOT WELL PREPARED AND SPECIFICALLY NOT RESPONSIVE TO THE INVITATION. THE CANADIAN FIRM AVIATION PLANNING SERVICES WHICH WAS THE CONTRACTOR SELECTED WAS FORMERLY PART OF DIXON-SPEAS FIRMS AND IN FACT DID ALL OF THE INTERNATIONAL CONTRACTS FOR SPEAS. IT HAS BECOME PAINFULLY EVIDENT THAT THIS FORMER ASSOCIATION IS A SOURCE OF FRICTION BETWEEN THEM AND IS PLAYING A PART IN EACH OF THE REPRESENTATIONS TO GUNGEN. IN OPINION USREP IT SEEMS POSSIBLE THAT THE INTERNATIONAL EXPERTISE WHICH

APPARENTLY WAS REFLECTED IN THE AVIATION PLANNING BID IS NO LONGER PRESENT IN THE SPEAS ORGANIZATION WHICH MAY REFLECT A VERY REAL FINDING ON THE PART OF ICAO -- THAT AVIATION PLANNING WAS VERY RESPONSIVE TO THE BID AND SPEAS INC. DID NOT RESPOND IN SUCH A WAY AS TO RESULT IN ICAO'S PUTTING THEM AMONG THE TOP BIDS. IN ANY CASE DIRECTOR TAB HAS TAKEN IT UPON HIMSELF TO SUGGEST TO EACH OF THEM THAT THEY GET TOGETHER ON A JOINT BID THAT WILL GET THE JOB DONE AND WILL MEET GUNGEN'S DEMAND THAT DIXON-SPEAS BE INVOLVED IN THE WORK. AVIATION PLANNING HAS INDICATED TO VIVIAN THAT THEY ARE PREPARED TO DO THIS AND HE TOLD USREP THAT THEY BELIEVE SPEAS WILLING TO WORK ON THIS BASIS. HE TOLD USREP THAT IF THIS APPROACH IS USED IN RESPONSE TO GOOD TERMS OF REFERENCE FROM GUNGEN SUBMITTED TIMELY IN MARCH, THE CONTRACT AWARD IN JUNE IS "A SURE THING." USREP WISHES  
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REITERATE THE NEED TO HOLD THIS CONFIDENTIALLY BECAUSE SUCH PRACTICE IS NOT IN KEEPING WITH ICAO CONTRACTING PROCEDURES.

6. USREP WILL BE HAPPY TO RESPOND TO ANY FURTHER SPECIFIC PROBLEM AREAS, HOWEVER, THE NEXT STEP IS TO GET GUNGEN'S TERMS OF REFERENCE -- THE BALL IS IN HIS COURT.  
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